

Housing and Community Building Strategic Framework 2004–09

Partnerships for better housing assistance

Annual Update 2008–09



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Message from the Minister and the Director of Housing

We are pleased to present this annual update to Housing and Community Building's five-year strategic framework, *Partnerships for better housing assistance 2004–09*.

During 2007–08, Housing and Community Building made significant progress towards achieving our vision that 'Victorians live in vibrant communities and have access to secure, affordable and appropriate housing'. The 2007–08 State Budget allocation of an additional \$510 million over four years to grow social housing and invest in homelessness assistance has meant that we are expected to have delivered over 1,150 new social housing units in the year, with this growth continuing in 2008–09.

The 2008–09 State Budget committed an additional \$14.1 million to increase homelessness services, \$9.4 million to improve our response to family violence with a focus on Indigenous family violence and a further investment in Neighbourhood and Community Renewal to create liveable neighbourhoods.

A key priority in the first half of 2008–09 is the negotiation of a new National Affordable Housing Agreement (NAHA). The current Commonwealth State Housing Agreement has been rolled over until 31 December 2008 to allow comprehensive negotiations, with the new NAHA due to begin on 1 January 2009. The NAHA is likely to have a much broader focus on housing policy and housing assistance programs and will include the funding for homelessness that has previously been allocated to the Support Accommodation Assistance Program.

This year we will continue to make Indigenous housing a priority. We will be doing this in close collaboration with Aboriginal Housing Victoria and Aboriginal Affairs Victoria. Success in this area will also rely on close working relationships with the Indigenous community.

In 2008–09, we will deliver against the key outcomes in the strategic framework, working with our partners to achieve better results for Victorians in need of housing and homelessness assistance. We commend this annual update to you.



Richard Wynne MP
Minister for Housing

Margaret Crawford
Director of Housing and
Executive Director Housing and Community Building



Our strategic intent

Our vision

Victorians live in vibrant communities and have access to secure, affordable and appropriate housing.

Our mission

To work in partnership to increase housing options for low-income Victorians and strengthen communities.

Our values

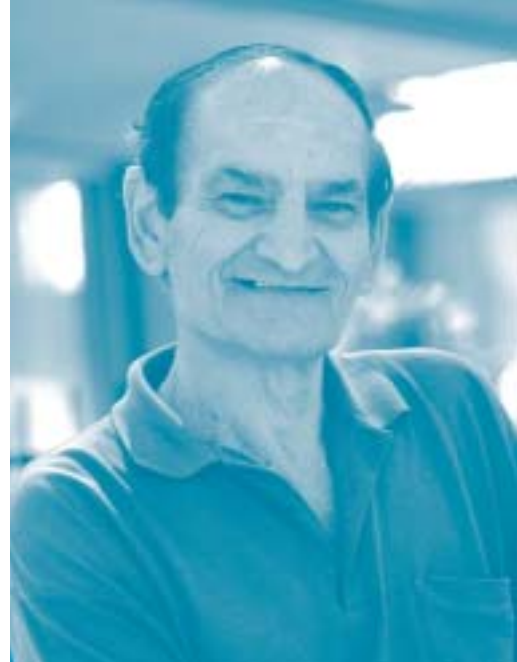
We will work towards achieving our vision while abiding by the following values common to all areas of the Department of Human Services:

- client focus (includes individuals, families, populations, service providers and staff)
- professional integrity
- quality
- collaborative relationships
- responsibility.

Guiding principles

Arising out of the vision and mission statements and values is a set of guiding principles that influence the directions we will adopt in 2008–09. These principles inform our decision-making processes and are:

- value for money: prudent financial management to ensure all programs can continue into the future
- efficiency: working in a timely and productive way and ensuring the most appropriate outcome for clients
- partnership: recognising the needs and expectations of internal and external stakeholders when developing business practices
- sustainability: strategies that are able to endure over the long-term
- open and honest communication: dialogue with clients, partners and staff that is always open and honest
- equity: helping to contribute to an equitable society by targeting support/service to the most disadvantaged Victorians
- evidence-based policy and practice development: decision making that is informed by a strong evidence foundation
- good governance: accountability in the implementation of strategies and business practices with clear lines of control and authority.



Outcomes sought

Housing and Community Building's five-year strategic framework, *Partnerships for better housing assistance* articulates four outcome areas. This annual update outlines progress made in 2007–08 and what we will do in 2008–09 to achieve these outcomes.

Outcome 1:

Better housing assistance

Working to better meet client need through the housing assistance we provide

Outcome 2:

Strengthened communities

Improving the wellbeing of disadvantaged Victorians

Outcome 3:

Better services and business practices

Improving the way we deliver services, strengthening our partnerships and building a sustainable business

Outcome 4:

A supportive work environment

Helping our staff to achieve excellence and satisfaction in the workplace

Our Budget

Figure 1 Expected Sources of Housing funds (excluding SAAP and SAAP-like services) in 2008–09

Sources of funds 2008–09
(\$962.6 million)

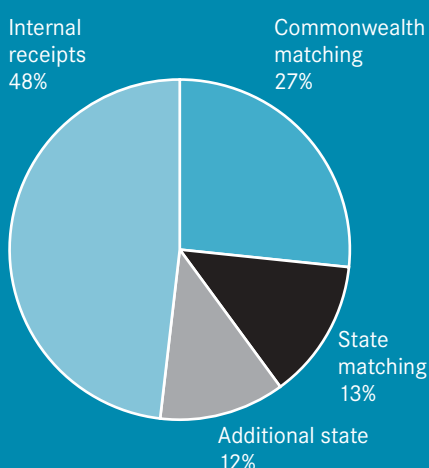
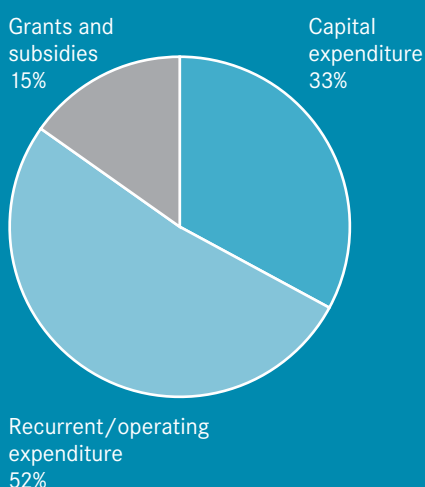


Figure 2 Expected Application of Housing funds (excluding SAAP and SAAP-like services) in 2008–09

Expenditure 2008–09
(\$1,067.8 million)



2008–09 Budget initiatives

The 2008–09 Budget delivered a significant commitment to housing and homelessness services in Victoria.

First home buyers will benefit with a saving of almost 17 per cent on stamp duty and the introduction of a \$3,000 bonus for first home buyers who purchase a new home in regional Victoria. This is on top of the existing \$7,000 First Home Owners Grant and \$5,000 First Home Bonus for newly constructed homes.

Homelessness services will be increased with the 2008–09 State Budget commitment of an additional \$14.1 million over four years. This will involve:

- \$6.8 million (\$29.1m total initiative) for Opening Doors, which will improve access to housing and homelessness services
- \$4.2 million through *A Fairer Victoria* to help vulnerable tenants maintain their tenancies
- \$3.1 million to provide onsite support to the chronically homeless, as part of a supportive housing initiative, on which we will be working closely with Mental Health division.

In addition, the state government has provided \$9.4 million to Housing and Community Building to improve our response to family violence, with a focus on Indigenous family violence. This is part of a total \$24.7 million over four years allocated across government, and builds on the previous investment of \$35.1 million in the 2005–06 Budget, to improve the family violence system.

Through *A Fairer Victoria*, the Budget also allocates additional funding for Neighbourhood and Community Renewal.

The 2007–08 Budget commitment to expand the supply and improve the quality of, social housing, and invest in homelessness assistance will continue to be implemented throughout 2008–09 with over 1,000 new units expected to come online over the financial year.

Sources and application of housing funds

The provision of housing and homelessness services requires significant investment from both the Commonwealth and state governments. The first half of 2008–09 will see the continuation of the Commonwealth State Housing Agreement and Supported Accommodation Assistance Program (SAAP) agreements. From January 2009, these will form part of a wider National Affordable Housing Agreement (NAHA).

Housing and Community Building also funds services from internally generated revenue, which consists of rental receipts, home loan repayments and proceeds from asset sales. Appropriated revenue from the Commonwealth government and state government, as well as internally generated receipts, comprises the total amount of revenue available to Housing and Community Building.

Housing and Community Building expenditure is divided into four broad categories:

- **capital** (incorporating housing acquisitions, upgrades and redevelopments)
- **recurrent/operating expenses**
- **grant and subsidies** (including grants to organisations providing housing services such as long-term community housing providers and transitional housing providers, bond loans, Housing Establishment funding and Social Housing Advocacy and Support)
- **homelessness services expenses** (incorporating Supported Accommodation Assistance Program, Transitional Housing Management, the Integrated Family Violence Response, the Youth Homelessness Action Plan, homelessness initiatives to assist young people and people with mental health issues and new funds in 2007–08 to lift homelessness support standards)

Our Budget Paper 3 targets

Budget Paper 3 (BP3) *Service Delivery* documents the service delivery plans of individual departments across the state government. It provides the link between the government's key priorities and outcomes, as identified in *Growing Victoria Together*. For Housing and Community Building, the targets detailed in BP3 represent our highest level state commitments regarding the housing and homelessness services that will be delivered over the financial year. Budget Paper 3 therefore provides the framework for the development of branch, region and community service organisations' targets.

Homelessness assistance

The Supported Accommodation Assistance Program (SAAP) provides services to people who are homeless or at risk of homelessness and who are in crisis. It also provides short-term crisis housing in emergency or crisis situations and medium-term accommodation, linked to support services (particularly SAAP).

Performance Measures	Unit of Measure	2008–09 Target	2007–08 Expected Outcome	2007–08 Target	2006–07 Actual
Quantity					
SAAP support episodes (occasions of service)	number	38,900	38,400	38,400	41,300
Households assisted with crisis/transitional housing accommodation (occasions of service)	number	13000	13,000	13,000	13,000
Housing information or referral assistance (occasions of service)	number	91,300	81,300	81,300	81,300
Households assisted with housing establishment assistance during year	number	33,450	33,450	31,450	32,498
Quality					
Clients in urgent housing need as a share of all assisted/new households	per cent	100	100	100	100
Timeliness					
Proportion of SAAP support episodes where an accommodation need was unable to be met	per cent	17	17	17	9
Cost					
Total output cost	\$ million	140.2	131.1	129.2	121.6

Note: For further information regarding these measures, see *Budget Paper Number 3 2008–09*.

Long-term housing assistance

Long-term rental accommodation assistance is for low-income families, older persons, singles, youth and other households, and is coordinated with support services where required. It provides appropriate and secure housing to meet the social, cultural and economic aspirations of the Victorian Aboriginal community, with the assistance of the Aboriginal Housing Victoria.

Performance Measures	Unit of Measure	2008-09 Target	2007-08 Expected Outcome	2007-08 Target	2006-07 Actual
Quantity					
Number of households assisted (public, aboriginal and community long-term tenancies at end of year)	number	72,319	72,193	71,700	71,690
Bond loans provided during year	number	9,300	9,300	11,500	10,509
Total long-term, social housing properties (includes leases, joint ventures and Office of Housing funded community owned dwellings)	number	74,556	74,426	73,900	73,676
Properties acquired during year for long-term housing (includes leases, joint ventures and Office of Housing funded community owned dwellings)	number	1,030	1,150	1,150	839
Number of dwellings with major upgrade during year (includes neighbourhood renewal areas)	number	2,150	2,450	2,300	2,933
Quality					
Percentage of Neighbourhood Renewal projects that have achieved active resident participation in governance structures	per cent	100	100	100	100
Timeliness					
Average waiting time for public rental housing for those clients who have received early housing allocation (those with urgent housing need, under waiting list segments 1, 2 and 3)	months	6.0	6.0	6.0	6.1
Cost					
Total output cost	\$ million	226.8 ¹	235.9 ²	254.5	554.9

Note: For further information regarding these measures, see *Budget Paper Number 3 2008-09*.

^{1,2} The 2007-08 Expected Outcome and 2008-09 Target reflect an increase in contributed capital for the acquisition of long-term housing. This is an accounting treatment only and does not reflect a reduction in funding for the program.

Home ownership and renovation assistance

This includes long-term home ownership and shared ownership arrangements provided under various government home loan programs. This output also contains home modification/renovation advice provided to aged or disabled homeowners to enable them to remain living independently in their own home in a safe and secure environment. This advice involves a free home inspection service by a qualified architect and subsidised loan assistance (where required) to assist with the cost of identified works.

Performance Measures	Unit of Measure	2008-09 Target	2007-08 Expected Outcome	2007-08 Target	2006-07 Actual
Quantity					
Number of new households assisted (including home renovation inspections as well as loans)	number	4,375	4,375	4,375	4,525
Quality					
Proportion of assisted households satisfied with renovation assistance	per cent	95	95	95	99
Proportion of new loans to low income or special needs clients (including group self build and home renovation loans and home loan restructures)	per cent	100	100	100	100
Timeliness					
Loans in arrears by more than 30 days as a proportion of total loans	per cent	5	4	5	4
Cost					
Total output cost	\$ million	na	na	na	na

Note: For further information regarding these measures, see *Budget Paper Number 3 2008-09*.

Preliminary results for 2007–08

Significant progress was made in 2007–08 towards achieving the four outcomes in *Partnerships for better housing assistance*. Full details of Housing and Community Building achievements will be published in the *Annual Report 2007–08* and the annual *Summary of Housing Assistance Programs* produced later in 2008.

Outcome 1: Better housing assistance

- An estimated 1,296 new social housing units were acquired.
- Around 72,000 Victorian households were assisted with long-term housing assistance (including public, Aboriginal and community housing) at the end of the year.
- Housing and Community Building delivered new homes for low-income Victorians through housing projects in partnership with Housing Associations and other non-government organisations.
- The estimated outcome for major upgrades for 2007–08 should exceed the target presented in Budget Paper 3, and deliver around 2,346 upgrades.
- The Carlton redevelopment is an innovative approach to improving current public housing. It will provide an estimated 246 social housing units and 550 private housing units together with parks, laneways and community facilities as part of a strategy to reintegrate the former estates into the local area. Five companies were short-listed in the tendering process to implement this initiative, with tender evaluations and contract negotiations to continue in 2008–09.

Outcome 2: Strengthened communities

- Housing and Community Building commenced the Norlane Regeneration Project, beginning construction on the first 40 homes.
- A Youth Futures Program was implemented to assist young people in housing crisis to reconnect with family and friends, school and employment opportunities and help them move from crisis accommodation to independent living. Services were expanded to help people at risk of homelessness with mental health and substance use issues to move into stable long-term housing.
- An estimated 38,400 occasions of service were provided under the Supported Accommodation Assistance Program (SAAP).
- An estimated 31,450 households were provided with housing establishment assistance.
- Housing and Community Building continued to support Aboriginal Housing Victoria (AHV) to make significant improvements with regard to its organisational structure, staffing capacity and operations.
- Housing and Community Building worked in partnership with AHV to offer Indigenous tenants in the Aboriginal Rental Housing Program the choice to have their tenancy managed by AHV. This initiative will provide tenants with an Aboriginal landlord and a more personalised and culturally appropriate service.

- The statewide Indigenous Tenancies at Risk program successfully assisted Indigenous people experiencing a range of difficulties, to maintain their public and community housing tenancies and reduce their risk of becoming homeless. Under the program, tenants were provided with support for a range of issues, including rent arrears, tenancy breaches, financial difficulties, living skills, advocacy, and referral to specialist services.
- The number of planned acquisitions for the Aboriginal Rental Housing Program (ARHP) doubled in 2007–08, following the allocation of an additional \$7.5 million for the program.
- The Indigenous Supported Accommodation Assistance Program funded organisations to meet as a network on a quarterly basis, to develop strategies to respond to homelessness within Indigenous communities.
- Twelve staff working in Indigenous housing organisations undertook a targeted Certificate IV training package in social housing. Ten current students are expected to graduate with the Certificate IV qualification in 2008–09.

Outcome 3: Better services and business practices

- A commitment was made to a broad-based National Affordable Housing Agreement to come into effect by January 2009. This is being negotiated by the Council of Australian Government's (COAG) Housing Working Group.
- From May 2008, rents were fixed for a 26-week period and will be reviewed in May and November each year. This means tenants who get jobs, or whose household income increases will have up to 26 weeks before their rent increases. If household income decreases, the rent will be reviewed within the fixed rent period. These changes will be accompanied by modest increase in the rents for families with dependent children.
- Eight housing agencies were registered as Housing Associations, plus an additional four housing providers. These are Loddon Mallee Housing Services Limited, Supported Housing Limited, Community Housing (Victoria) Limited, Melbourne Affordable Housing and Port Phillip Housing Association and Yarra Community Housing Limited and recently Rural Housing Network Limited and Common Equity Housing Limited. The four housing providers are Women's Housing Limited, Servants in Hawthorn Inc, HomeGround Services and WAYSS Ltd.
- A formal accreditation process was developed for organisations that provide homelessness services.
- A workforce strategy for the community managed housing, homelessness assistance and family violence sector continued and training package was launched. This incorporated training, career planning and workforce retention strategies.

Outcome 4: A supportive work environment

- A Head Office Housing Workforce Strategy was developed to determine the composition of the Housing workforce and to identify potential challenges in meeting future demands.
- A learning and development intranet site that provides generalist information links to external training providers was developed. This is aimed at building staff capacity.
- A Progression, Performance and Development Plan (PPD) desktop analysis was undertaken to ensure that there is consistency in approach across Housing and Community Building.
- The People Management Training Program was delivered to Housing and Community Building managers, which aimed to address essential people management tasks, including how to supervise staff, delegate work and meet occupational health and safety requirements.

Directions for 2008–09

The challenges we face

As identified in the framework, Housing and Community Building's key challenges are:

- changing client needs
- the changing housing market
- the high cost of asset management.

In 2008–09, Housing and Community Building will tackle disadvantage through policy development, the design and implementation of programs and initiatives that are tailored to the diverse needs of clients and improving the way we manage our assets.

The challenge for Housing and Community Building is to address the needs of all of our clients, while also strengthening the viability of the social housing system.

Outcome 1:

Better housing assistance

- Improve access to affordable and appropriate housing for low income Victorians, by purchasing and constructing 1,030 new social housing dwellings.
- Contribute to whole-of-government housing affordability strategies by collaborating across local, state and commonwealth tiers of government.
- Respond to changing client needs and demand patterns by providing new and redeveloped public housing in areas of greatest need.
- Dispose outdated and inappropriate housing in low demand areas and reinvest proceeds back into public housing.
- Continue social housing redevelopments in Metropolitan Melbourne and provincial Victoria including Maidstone–Braybrook, Carlton, Shepparton, Norlane, Kensington, Wodonga, Bacchus March, Parkdale, East Reservoir, and Northcote.
- Incorporate water, energy and waste saving devices into standard upgrade programs and policies to improve the environmental sustainability of social housing.

Outcome 2:

Strengthened communities

- Integrate Neighbourhood Renewal priorities into local government planning processes, and support the adoption of a place-based approach to address disadvantage.
- Narrow the gap between disadvantaged neighbourhoods and the rest of the state through the identification of benchmarks and targets that will drive services and social investment in Neighbourhood Renewal areas.
- Address housing affordability at the local level by working with councils to help build their capacity.
- To people who are homeless or at risk of homelessness with an estimated 38,900 occasions under the Supported Accommodation Assistance Program (SAAP).
- Increase support for vulnerable young people who are homeless or at risk of homelessness through the Support for Young People that Really Counts program and Creating Connections.
- Expand our integrated response to family violence in line with the whole-of-government initiative to focus on prevention, provision of support services, and legislative reform.
- Increase support for vulnerable people by providing a better safety net of support to those residing in social housing who lack adequate support services and are at risk of losing their long-term housing.

- Implement the Opening Doors initiative to improve access for homeless people to social housing and support services in Victoria through the statewide Homelessness Assessment and Referral Framework.
- Assist long-term homeless people to achieve stability in accommodation and other aspects of their lives through development of the Supportive Housing model.
- Enhance protections for tenants in private boarding houses and borderline accommodation and improve standards in this type of accommodation.
- Facilitate the transfer of responsibility for the management of Aboriginal Rental Housing Program tenancies to Aboriginal Housing Victoria.
- Increase housing options for Victorians with a disability by supporting individuals to remain in their own homes, as well as the continued incorporation of 'accessible' housing in new construction and undertaking disability modifications to existing dwellings.

Outcome 3: Better services and business practices

- Negotiate the new NAHA to ensure that all forms of housing assistance including homelessness assistance and housing related policies are planned coherently to achieve improved affordable and social housing outcomes.
- Continue to reduce vacancy turnaround times in public housing through intensive statewide vacancy monitoring.
- Further the Tenant Participation Framework to provide public housing tenants to participate in decisions regarding how programs are delivered.
- Facilitate the registration of housing agencies and monitor compliance of registered housing associations to ensure the sustainability of the community housing sector.
- Improve homeless support standards through accreditation of housing support and case managed housing support services and strengthening the workforce capacity of the sector.
- Identify options to better link housing and mental health, disability and related support to improve outcomes for tenants.

Outcome 4: A supportive work environment

- Deliver relevant training to regional housing staff with the implementation of a Regional Workforce Strategy.
- Implement communication strategies to improve information sharing with internal and external stakeholders.
- Promote targeted learning and development opportunities for central office staff by management working in collaboration with staff to identify and provide access to opportunities aimed at build on existing skills and knowledge.

